

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 138 – SB 1085

March 18, 2011

SUMMARY OF BILL: Decreases, from 0.15 percent to 0.08 percent, the blood-alcohol concentration of a person convicted of a first offense for DUI that would require an ignition interlock device (IID) be used if issued a restricted driver license. Deletes the requirement for a person who violates the implied consent law to use an ignition interlock device if issued a restricted license.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – \$7,600/General Fund

Increase State Expenditures – \$430,500/Interlock Assistance Fund

Increase Local Revenue – \$2,700

Assumptions:

- Under current law, every DUI offender is required to pay an ignition interlock fee of \$40; therefore, no impact to fee revenue allocated to the Interlock Assistance Fund.
- According to the Department of Safety (DOS), there were 4,100 restricted driver licenses issued for DUI in FY09-10. All 4,100 will be required to obtain an IID under this bill.
- DOS estimates that 1,163 restricted driver licenses were issued in FY09-10 to individuals convicted of DUI with a blood alcohol content (BAC) of 0.15 percent or higher. The provisions of Public Chapter 921 of 2010 required 660 offenders to obtain an IID who did not have a BAC of 0.15 percent or higher. Prior to Public Chapter 921, approximately 580 DUI offenders were required to use an IID. The total number of DUI offenders required to obtain an IID under current law is estimated to be 2,403 (1,163 + 660 + 580).
- Under this bill, an additional 1,697 DUI offenders (4,100 – 2,403) will be required to obtain an IID.
- Twenty percent or 339 of these drivers will be declared indigent. This will result in approximately 1,358 additional non-indigent offenders.
- Approximately five percent, or 68 non-indigent offenders, will decline to comply with the requirements of installing and maintaining an IID.
- Under Public Chapter 921 of 2010, 157 implied consent violators were estimated to be required to obtain an IID who will no longer be required to use an IID, 118 of those are non-indigent.

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- Under Public Chapter 921 of 2010, 1,000 offenders were estimated to opt into using an IID, these offenders will now be required to use an IID, The increase in purchases of devices by non-indigent offenders will be 172 ($1,358 - 68 - 118 - 1,000$).
- The maximum cost of installing and maintaining an IID for 12 months as required by current law is \$1,270. It is assumed the maximum annual amount authorized is the actual cost of installing and maintaining an IID.
- The amount of taxable sales from the sale and lease of IID device equipment will be \$218,440 ($172 \times \$1,270$). Approximately 50 percent of these sales will occur in the absence of this bill. Therefore, the recurring increase in state revenue will be \$7,645 ($\$218,440 \times 50\% \times 7\%$ tax rate).
- An increase in local government revenue of approximately \$2,731 derived from an average local option sales tax of 2.5 percent ($\$218,440 \times 50\% \times 2.5\%$).
- The total increase in recurring state expenditures from the IAF to cover all indigent offenders will be approximately \$430,530 ($\$1,270 \times 339$ additional indigent offenders).
- According to Public Chapter 921 of 2010, the Department of Safety and the Treasurer are required to determine the amount of the interlock assistance fee required to keep the fund solvent. The majority of Public Chapter 921 went into effect January 1, 2011. At this time, there is not enough data to reasonably determine a fee amount to keep the fund solvent.
- According to the Department of Safety, any increase in workload for certifying installers and monitoring offenders can be handled within existing resources.
- The number of restricted driver licenses issued remains unchanged.
- There will be no impact on the number of felony offenders supervised by the Board of Probation and Parole.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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